

*** NETANSWERS INTERNET EXTRA ***

For the week of January 26, 1998

Tax time is creeping up. So why not get your taxes done early for a change? You can use the Internet to find answers to your questions, learn how to increase your deductions, and help make this tax season a little less stressful.

(Sorry, non-United States readers: this particular column is focused squarely on U.S. tax issues.)

=*=*= TAXING TIMES =*=*=

You can run but you can't hide. The dreaded April 15 deadline for filing your 1997 taxes looms closer than you think. In this column we'll explore several Internet resources that can make tax season a little less taxing. No online resource can take the place of the advice of a qualified tax preparer, but these sites can help you to be informed about your rights and responsibilities as a taxpayer.

The Internal Revenue Service offers quite a lot of useful information online. The IRS "Digital Daily" (which, if you want to pick nits, isn't actually updated daily) is on the web at <http://www.irs.ustreas.gov>. This easy-to-navigate site offers a tax calendar, an archive of tax rules "in English," and information about recent changes to tax law. If you need details about new tax credits, Individual Retirement Accounts or changes in estate tax rules, this site will help. If you're puzzled by some facet of tax law, check out the IRS' answers to nearly 200 common tax questions at http://www.irs.ustreas.gov/prod/tax_edu/faq/index.html.

And forms! Taxes wouldn't be taxing without forms. Point your web browser to <http://www.fedworld.gov/taxsear.htm> -- there you'll find a complete archive of Federal tax forms and IRS publications from 1993 through 1997. (The files are downloadable in Portable Document Format. See NetAnswers Internet Extra #7 for information about viewing PDF Files.)

You'll find the answers to many tax questions in the [misc.taxes.moderated](http://home1.gte.net/brcpa/mtmfaq.htm) FAQ (Frequently Asked Questions and Answers) page, at <http://home1.gte.net/brcpa/mtmfaq.htm>. This lengthy document is a great first reference, answering questions from "How can I get an extension of time to file my tax return?" to "What tax forms do I need to file as a self-employed person?" to "Is unemployment compensation paid by the government taxable?" The FAQ also includes information on contacting the Internal Revenue Service, a list of useful IRS publications, and descriptions of various types of tax preparers.

There are two Usenet newsgroups where you can discuss taxes: [misc.taxes](#) and [misc.taxes.moderated](#). The moderator of the latter newsgroup keeps the discussions on topic (and keeps commercial postings out). Be sure to look for the answer to your question in the FAQ before posting to either newsgroup.

For many of us, the heartache caused by filing taxes is minuscule compared to our fear and loathing of being audited. According to Money Magazine, 90% of audits are triggered by the size of deductions you claim relative to your income level. An interesting part of its web site asks "Are you audit bait?" The pages include tips for staying out of the IRS' line of fire on your 1997 return and an interactive worksheet that will help determine your chances of being audited (<http://>

pathfinder.com/money/features/auditbait_0196/). While you're there, it is worth perusing the rest of Money Magazine's online tax guide (at <http://pathfinder.com/money/goals/taxes.html>). Advice dispensed there includes avoiding common mistakes on your return and insightful tips on what you may and may not deduct.

You'll find a lot of general tax information at <http://www.1040.com> -- its Taxing Subjects page offers information on filing electronically, a plain-English rundown of the changes brought by the Taxpayer Relief Act of 1997, and data on vehicle depreciation. This site is home to an impressive collection of downloadable state and federal tax forms. The Tax Prophet (<http://www.taxprophet.com>) is another trove of tax info. My favorite feature of this site is its archive of articles from the San Francisco Examiner's "Tax Prophet" newspaper column.

There are two types of taxpayers: those who do the math themselves and those who hire an accountant. Me? I lug shoeboxes filled with receipts to the CPA, drop them in a heap on her desk, and run. There's no shame in that. More power to you, though, if you do the dirty work yourself. A variety of software is available that can walk you through the process. Money Magazine (it's the last time I'll mention them, I promise) offers reviews of five major tax preparation programs as well as three web-based tools, at <http://pathfinder.com/money/tax/index.html>.

There are more sites that can help if you still haven't found the tax information you're looking for. The Tax and Accounting Sites Directory at <http://www.taxsites.com> offers myriad links. Let's see, there are pointers to 40 tax tips and help sites, another 40 Federal tax law sites (including the full text of the tax code), six online tax prep sites, and more. Finally, Essential Links offers an organized list of, well, essential links. Here you'll find pointers to state tax info, accounting associations, tax software and the tax code (<http://www.EL.com/elinks/taxes/>).

==*== SITES MENTIONED IN THIS ISSUE ==*==

Money Magazine online tax guide: <http://pathfinder.com/money/goals/taxes.html>
Are you audit bait?: http://pathfinder.com/money/features/auditbait_0196/
Software reviews: <http://pathfinder.com/money/tax/index.html>
misc.taxes.moderated FAQ: <http://home1.gte.net/brcpa/mtmfaq.htm>
Newsgroups: misc.taxes, misc.taxes.moderated
IRS Digital Daily: <http://www.irs.ustreas.gov>
Common questions: http://www.irs.ustreas.gov/prod/tax_edu/faq/index.html
Federal tax forms: <http://www.fedworld.gov/taxsear.htm>
1040.com: <http://www.1040.com>
Tax Prophet: <http://www.taxprophet.com>
Tax Sites: <http://www.taxsites.com>
Essential Links on Taxes: <http://www.EL.com/elinks/taxes/>

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The NetAnswers Internet Extra is free to all CompuServe members. It's available in the Internet Community Forum -- GO INETCOM and look in file library 11, "NetAnswers".

Got comments or ideas for future newsletter issues? We want to hear 'em. Just send a message to savetz@compuserve.com (74774,2725).

If you get too cold I'll tax the heat. If you take a walk I'll tax your feet.
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